Saint Paul Planning Commission City Hall Conference Center 15 Kellogg Boulevard West

Minutes September 6, 2013

A meeting of the Planning Commission of the City of Saint Paul was held Friday, September 6, 2013, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners
Present:

Mmes. Merrigan, Perrus, Reveal, Shively, Thao, Wang, Wencl; and Messrs. Edgerton, Lindeke, Makarios, Nelson, Ochs, Oliver, and Ward.

Commissioners

Mmes. *Noecker, *Porter, and Messrs. *Connolly, *Gelgelu, *Schertler,

*Spaulding, and *Wickiser.

Absent:

*Excused

Also Present:

Donna Drummond, Planning Director; Nancy Homans, Mayor's Office, Tom Beach, Department of Safety and Inspections, and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes August 23, 2013.

<u>MOTION</u>: Commissioner Shively moved approval of the minutes of August 23, 2013. Commissioner Reveal seconded the motion. The motion carried unanimously on a voice vote.

II. Chair's Announcements

Chair Wencl announced that at the Steering Committee meeting they talked about having a survey of Commissioners, in terms of doing a retreat, asking for their input and to see if people are interested and what they would be interested in. The information will be included in the next Planning Commission packet which commissioners should bring with them to the next meeting on September 20, 2013.

III. Planning Director's Announcements

Donna Drummond announced that on August 28th the City Council approved the Auto Body Text Amendments. The Council approved adding auto body uses to the T4 district and removed the B3 and B5 districts as recommended by the Planning Commission. Councilmember Khaliq is the councilmember of the ward that has Abra Auto Body on University Avenue. Councilmember Khaliq was aware of district council concerns about allowing auto body uses in B3, so he proposed an amendment to just add them to T4.

Also Ms. Drummond received a notice that the Metropolitan Council has vacancies for some of its committees and commissions. Because of redistricting the Metropolitan Parks Open Space Commission has all of its nine seats open. They advise the council on long range plans for the

metro area's regional parks system. They also have a Land Use Advisory Committee which has 4 vacancies. This committee advises the council on land use and local planning issues.

IV. Zoning Committee

SITE PLAN REVIEW – List of current applications. (Tom Beach, 651/266-9086)

Three items to come before the Site Plan Review Committee on Tuesday, September 10, 2013:

- Beacon Bluff Parcel 2, demolition of an existing building and pavement at 949 East 7th Street (south end of Parcel 2 bounded by East 7th, Forest and Bush).
- Regions Hospital, construct a new parking lot for hospital employees at 149 East University Avenue. (Rescheduled from September 3rd)
- Laurel Apartments, construct a new parking lot for an existing apartment building at 623 Laurel Avenue. (Rescheduled from September 3rd)

NEW BUSINESS

#13-216-391 Island Station Demo – Site plan review for the demolition of the existing Island Station Power Plant building. 380 Randolph Avenue. (Tom beach, 651/266-9086)

<u>MOTION</u>: Commissioner Nelson moved the Zoning Committee's recommendation to approve the site plan review subject to additional conditions. The motion carried unanimously on a voice vote.

Commissioner Nelson announced the items on the agenda for the next Zoning Committee meeting on Thursday, September 12, 2013.

V. <u>Green Line Update: Ready for Rail Program, On the Green Line Marketing, Corridors to Careers and More</u> – Informational presentation by Nancy Homans, Mayor Coleman's Policy Director.

Nancy Homans, staff in the Mayor's office gave an update on several initiatives related to the Green Line LRT, including the Ready for Rail Program, On the Green Line marketing, and more. She said that when doing the environmental work on the Central Corridor one of the greatest concerns was how this would impact small businesses on University Avenue. The decision had been made to construct the line under traffic which meant that they would not close down the street during construction. University Avenue is populated with many small businesses, with many of them vulnerable to impacts due to construction. There was a lot of concern and work around preparing for construction and working with the business community. Something called the Business Resources Collaborative was convened, and before construction began the Collaborative came up with three general areas for its work: 1) to help businesses prepare for construction, 2) to help businesses survive the construction period and 3) to thrive after construction was over. They also did a lot of work around job training and employment, specifically, how do the people who live in that area take advantage of the new employment opportunities on the corridor?

The Collaborative offered training around accounting, marketing, developing web sites, promotional materials, signage and all kinds of things that would suggest knowing who your customers are, staying in contact with customers during construction so they know how to get to your business, where parking is, etc. The Collaborative served about 400 businesses in preparation for construction. The bulk of work was about surviving through two years of construction. The biggest response to that challenge was the \$4 million Ready for Rail Forgivable Loan Program. Loans were offered up to \$20,000 tied to the loss of sales that businesses were able to document. Loans were provided to 206 businesses. Business owners were nervous about participating because they didn't want to take on more debt at a time when they were losing money, but they were told that if they were to go out of business the City would not go after their assets and the City would consider their application to forgive the balance of their loan. Three businesses have closed that were provided loans and the balance of those loans were forgiven. There is still some money left so in this second round the program is offering \$10,000 loans to businesses that were literally under construction for two years. The program has also expanded the service area. Initially, all of the loans were for businesses within one block of University Avenue and this was expanded beyond the one block because there were businesses that were impacted more than one block off the avenue.

Another huge issue of concern affecting businesses was the loss of 85% of the on-street parking on University Avenue. Some businesses had plenty of parking, especially around the Midway area, but others, particularly east of Lexington, had less off-street parking and so depended on the on-street parking. The City offered \$1.3 million in forgivable loans for people to improve the parking in their alleys or otherwise off-street. They were asked to work with their neighbors to share parking.

Better marketing of the area was another major initiative. Business owners said they wanted help promoting the area in general. The business community went to Metropolitan Council and asked for help with marketing. The Metropolitan Council devoted \$1.2 million to the On the Green Line marketing campaign. The upcoming event called "Open Streets" along University Avenue from Hamline to Marion Street on Sunday, September 15th 11:00a.m.-6:00p.m. is one of the major marketing events. The street will be closed to traffic and there will be room for walking, biking, dancing, listening to music and other activities. The event celebrates the end of construction and is a chance to meet the neighbors and business owners on University Avenue. Another component of thriving is cultural district development creating a market niche for efforts like Little Mekong, Historic Rondo, and the Creative Enterprise Zone. Little Mekong is developing an identity for the Western Station area, so if someone on the train wants to get off on Western they know that when they get off there are restaurants, shops and it is safe and people are going to be welcoming.

Commissioner Ward asked several questions. The first was related to real estate values and taxes. Has there been an effort to do a before LRT construction and after evaluation to determine if there has been land speculation or other changes and how far that impact may extend?

Next he asked if there was any way to document the overall losses to businesses that occurred during the two years of construction, including who suffered the losses and for how long, and whether the loan program was sufficient to address the need?

His third question related to damage to property that had been caused during construction through no fault to the contractor but collateral damage such as to foundations as a result of digging up the

street. What is the cost of those repairs, were those buildings in a condition where maybe they were beyond their serviceable life and how does the City look at preventing that?

Ms. Homans said regarding the studying of land values over time the Central Corridor Funders Collaborative has engaged the Wilder Foundation and its Research Center to study a number of indicators over time. They are in the middle of that process and land values is one of them they have been watching very closely. So far they have not seen evidence of major speculation, because the recession hit at the same time construction happened.

Ms. Homans said as far as documented losses, the Ready for Rail loan program collected data from the businesses that applied for loans. They were not able to establish any particular pattern why some businesses lost more than others, however, they found generally that restaurants didn't lose as much as small retail. They looked hard to see what the pattern was of why somebody lost 87% of their business and other lost 3%. What she came up with is that the businesses that were the smallest were most likely to lose the highest percent. However, because those businesses were so small the program was able to compensate them for all of their losses.

As for damage to buildings, she does not have enough information about that. That information has been collected and maintained by the contractor because of their legal responsibilities and they have not been very open about sharing that so the City has very little information.

Commissioner Ward said regarding damages, is there a possibility for the City to survey the businesses and asked whether they suffered any damage, and see if they needed additional assistance in resolving these issues?

Ms. Homans said the City can't really get involved in resolving these issues as it doesn't have any authority in the matter. Also we would have concerns about suggesting to a business that the City might be able to compensate them for damages. But she does know this is a problem and City officials have been an informal advocate in some cases where businesses weren't getting through to the contractor.

Commissioner Ward asked how to keep the momentum going for cultural district development, so that it helps businesses but also residents in the adjacent neighborhoods. He also asked about possible crime and whether there is a security plan in place for the business area or any additional program for neighborhood awareness and neighborhood meetings to encourage pride in ownership?

Ms. Homans said that the cultural districts are a long term economic development strategy that will also be a residential strategy. With respect to public safety there are a lot of cameras on University Avenue. They will also have the resources of Metro Transit Police on the Green Line. Generally the emphasis on economic development goes a long way toward preventing the kind of crime that is seen in some other places.

Commissioner Thao is the board chair of the Asian Economic Development Association that has been behind the Little Mekong effort. She clarified that a lot of the cultural district work is happening on the ground with the community organizations. There have long been discussions about quality of life issues. They know that better lights equal more safety. And they know that anything that benefits the commercial area will definitely have impact in residential areas. There has been some concern about the Open Streets event next week. They will be closing a huge

stretch of University Avenue on a Sunday, which is a prime business day for a lot of businesses. It's great that people will be able to bike and walk in the street, but that is a really big stretch and they are worried that it might trigger some of the construction memories, that closing down the street for a day might leave a negative impression. Events like this can be hard so soon after construction and the experience they have gone through. But the presentation has been helpful. There have been a lot of great lessons learned. The thrive piece of the strategy is really critical because everybody always talks about all the hype going into developing a corridor but what happens afterwards? Continuing to patronize the businesses is critical. Efforts to think through the whole plan on a holistic scale are very helpful.

Commissioner Ochs asked about statistics kept on businesses in the area that have moved, closed, are still open, or new businesses that have arrived as a result.

Ms. Homans replied that the Metropolitan Council has maintained the best records in terms of the names of the businesses that have come and gone. The businesses Ready for Rail served with loans were retail type businesses, the ones that actually depend on walk-in traffic. Of those businesses, three have closed and asked for forgiveness of the balance of their loan.

Commissioner Lindeke was involved with the first open streets event in Minneapolis on Lyndale and a lot of the same concerns were brought up from the businesses there. But it turned out afterwards that for most of the businesses it was their number one sales day of the year. It's not true for every business, like an auto body shop but he encouraged the people on University to be as open as they can during that Sunday because afterwards they will be very pleased.

Ms. Homans added that other open streets events have focused more on the health aspects of biking and walking. The University Ave. event has tried to fashion this around business support. Event organizers have visited with all of the businesses and in some cases they have tried to make a different kind of access arrangements from the back so that cars can get in and out. Latuff Brothers auto repair shop is not open on Sundays but they are so excited about this event that they are going to have a lot of activities in their parking lot. This event is bringing people and introducing them to University Avenue. Everyone will be watching closely how this turns out.

VI. Comprehensive Planning Committee

Commissioner Merrigan reported that at the last meeting discussion continued about the West Midway Industrial Strategy.

VII. Neighborhood Planning Committee

Commissioner Oliver reported that the Neighborhood Planning Committee meeting on Wednesday, September 11, 2013 has been cancelled.

VIII. Transportation Committee

Commissioner Wang announced that at the last meeting they discussed the transportation elements of the West Midway Industrial Strategy and they also discussed the downtown bus stop improvements around Central Station.

Commissioner Wang announced the items on the agenda for the next Transportation Committee meeting on Monday, September 9, 2013.

IX. Communications Committee

Commissioner Thao had no report.

X. Task Force/Liaison Reports

Commissioner Nelson announced that the Shepard Davern Area Planning Task Force will be meeting on Wednesday, September 11, 2013, at the St. Paul Jewish Community Center; at 4:00 p.m. The focus of discussion will be housing issues.

Commissioner Reveal announced that the West Side Flats Task Force will be meeting at 6:00 p.m. on Thursday, September 12, 2013 at the Neighborhood Development Alliance Office (NeDA). The discussion will be on proposed building heights and a review of draft development guidelines.

XI. Old Business

None.

XII. New Business

None.

XIII. Adjournment

Meeting adjourned at 9:35 a.m.

Recorded and prepared by Sonja Butler, Planning Commission Secretary Planning and Economic Development Department, City of Saint Paul

Respectfully submitted,

Donna Drummond

Planning Director

Approved September 20, 2013

(Date)

Daniel Ward H

Secretary of the Planning Commission

PED\butler\planning commission\minutes\September 6, 2013